

**Introduced by Senator Ortiz
(Coauthor: Senator Torlakson)**

February 22, 2005

An act to repeal and add Chapter 7 (commencing with Section 104322) of Part 1 of Division 103 of the Health and Safety Code, relating to prostate cancer.

LEGISLATIVE COUNSEL'S DIGEST

SB 650, as introduced, Ortiz. Prostate cancer: Improving Access, Counseling, and Treatment for Californians with Prostate Cancer (IMPACT) Program.

Existing law requires the State Department of Health Services to develop a program to provide, through contracts, prostate cancer treatment services to low-income uninsured and underinsured men. Pursuant to this requirement, the department has established the Improving Access, Counseling, and Treatment for Californians with Prostrate Cancer (IMPACT) Program.

This bill would establish the IMPACT Program as a permanent program within the department's Cancer Control Branch, Cancer Detection Section. The bill would require that treatment under this program be provided to uninsured and underinsured men with incomes at or below 200% of the federal poverty level. This bill would authorize the department, at the expiration of the existing program contract, to extend, modify, and enter into new contracts for purposes of the program. The bill would provide that the program shall be administered at the University of California, Los Angeles, under the direction of a program director, in association with clinical medicine, public health, and health services. The bill would establish program requirements and the duties of the program contractor. The

bill would require the program to annually provide information to the director, and the director to submit this information to the Legislature.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) (1) The first program of its kind in the country, the
4 Improving Access, Counseling, and Treatment for Californians
5 with Prostate Cancer (IMPACT) Program provides treatment for
6 uninsured and underinsured, low-income men with prostate
7 cancer who are not eligible for other state or federal health care
8 programs.

9 (2) The IMPACT Program was initially funded from April
10 2001 to June 2003 at \$50,000,000. However, over the course of
11 the three fiscal years of this initial contract, funding was cut 50
12 percent and then 75 percent.

13 (3) Despite these funding cuts and the state's ongoing fiscal
14 crisis, there was a demonstrated need for the program, leading
15 the administration to extend the initial contract for two additional
16 years at \$4.6 million in the 2003–04 fiscal year and \$6.2 million
17 in the 2004–05 fiscal year.

18 (4) In addition, despite these funding limitations, the IMPACT
19 Program was able to complete its scope of work for the Cancer
20 Detection Section of the State Department of Health Services a
21 year ahead of schedule.

22 (5) The IMPACT Program is a cost-effective and efficient
23 program with 89 percent of its budget dedicated to patient care
24 and 11 percent to administrative costs.

25 (b) (1) Men eligible for the IMPACT Program must have an
26 income at or below 200 percent of the federal poverty level, and
27 are uninsured or underinsured with a confirmed diagnosis of
28 prostate cancer.

29 (2) In California in 2004, an estimated 23,160 men were
30 diagnosed with prostate cancer, while an estimated 3,010 died
31 from the disease. In the year 2002, 105,900 men were living with
32 prostate cancer in California.

1 (3) An analysis by the IMPACT Program of the population,
2 uninsured rates, and prostate cancer incidence in California
3 indicates that approximately 1,150 men in the state are eligible to
4 enroll in the program each year.

5 (c) (1) In December 2003, the IMPACT Program enrolled its
6 500th patient.

7 (2) In addition to providing direct prostate cancer treatment
8 services, the IMPACT Program has also provided over 10,000
9 referrals to free or low-income prostate cancer screening
10 services, enrollment in the Medi-Cal program, Medicare
11 Program, or county health insurance programs, prostate cancer
12 educational resources, and social service organizations such as
13 the Food Stamp Program.

14 (d) In April 2004, the IMPACT Program was named as a key
15 strategy in California's Comprehensive Cancer Control Plan. The
16 IMPACT Program was named as a leading method of reducing
17 the disparity and burden of prostate cancer on uninsured men in
18 California. Recognizing the importance of the program and the
19 gap it fills in the state health care safety net, the plan also called
20 for assuring the continued funding of the program. The effort to
21 create the plan was led by the American Cancer Society and the
22 State Department of Health Services.

23 (e) (1) A recently published study found that prostate cancer
24 direct health care costs in California were estimated at \$180
25 million. Lost productivity from premature death was estimated at
26 another \$180 million for a total cost of \$360 million in 1998.
27 This is an estimated cost of \$81,022 per man with prostate
28 cancer, \$19,938 in direct costs and \$61,084 in indirect costs.

29 (2) Other costs of prostate cancer include decreased quality of
30 life, loss of workplace productivity for the individual or his or
31 her family members, increased household expenses, decreased
32 tax base, and decreased spending power of the family. These
33 human costs of prostate cancer are often overlooked because
34 human cost data is not kept or is incomplete.

35 (f) These costs of prostate cancer are likely to increase as life
36 expectancy increases and improvements in prostate cancer
37 treatment continue. With 105,900 men in California living with
38 prostate cancer, as of 2002, there are increased costs for the
39 monitoring and management of the disease and its resulting
40 problems, such as incontinence, erectile dysfunction, bowel

1 dysfunction, and psychological issues related to changes in
2 self-worth.

3 (g) (1) Men account for more than 50 percent of the uninsured
4 in California.

5 (2) Not having health insurance has serious consequences for
6 men because when men lack health insurance, they delay seeking
7 needed health care, do not seek prostate cancer treatment, and die
8 younger. Men without health insurance are more likely to be
9 diagnosed with prostate cancer at a later, more advanced stage
10 than those with health insurance.

11 (h) If prostate cancer is detected earlier through prostate
12 cancer screening, an option usually unaffordable and not
13 accessible to the uninsured, the likelihood of five-year survival is
14 100 percent. If diagnosed at a later stage, the five-year survival
15 rate for prostate cancer is 33 percent.

16 (i) (1) Research has identified poor access to health care as a
17 significant cause of high mortality for minority men with cancer.

18 (2) Of the uninsured men in the United States, about 46
19 percent are African-American, 28 percent are Latino, and 17
20 percent are non-Latino Caucasian.

21 (3) Among poor men, nearly 59 percent of African-American
22 men and 73 percent of Latino men have no insurance.

23 (j) (1) About four of 10 men living in poverty have not seen a
24 physician in the past year.

25 (2) According to the federal Centers for Disease Control and
26 Prevention, in 2001, only about two-thirds of men who were
27 poor (incomes below the federal poverty level) or near poor
28 (incomes between 100 percent and 200 percent of the poverty
29 level) reported having a usual source of care, compared to 85
30 percent of men with incomes at or above 200 percent of the
31 federal poverty level.

32 (k) (1) Without adequate health insurance, men cannot obtain
33 proper care for their prostate cancer.

34 (2) The average cost of a prostate examination is \$70,
35 although free screenings are occasionally offered to the public.

36 (3) A followup biopsy costs about \$1,500, and if cancer is
37 detected, the first year of treatment alone can cost as much as
38 \$30,000.

39 (4) The IMPACT Program average treatment cost is \$15,000
40 per man for the first year.

(l) (1) Counties are the providers of last resort and their success or failure has a dramatic effect on access, affordability, and availability of health care services for the uninsured.

(2) As funding sources shrink, county medical resources for the uninsured and underinsured are disappearing.

(3) Since 1964, the number of counties operating inpatient hospitals has decreased dramatically from 50 counties and 66 facilities to 19 counties operating 26 county inpatient hospitals. It is the norm rather than the exception that these facilities have limited hours for specialty clinics, long waiting periods, and inflexible health care delivery systems, and are not equipped to provide state of the art medicines or treatments for complicated illnesses such as prostate cancer.

(m) (1) A recent survey of California counties by the IMPACT Program found that 32 of the 58 counties do not have a facility, either county-run or operated through contract with a privately owned hospital, to which an uninsured man can go if he is in need of medical care for prostate cancer. The remaining counties are restricting services due to budget cutbacks, making it even more difficult for men in need to receive treatment for their prostate cancer.

(2) The barriers that deny the uninsured access to even minimal health care services are increasing.

SEC. 2. Chapter 7 (commencing with Section 104322) of Part 1 of Division 103 of the Health and Safety Code is repealed.

SEC. 3. Chapter 7 (commencing with Section 104322) is added to Part 1 of Division 103 of the Health and Safety Code, to read:

CHAPTER 7. IMPROVING ACCESS, COUNSELING, AND
TREATMENT FOR CALIFORNIANS WITH PROSTATE CANCER
(IMPACT) PROGRAM

104322. For purposes of this chapter, the following definitions shall apply:

(a) "Branch" means the Cancer Control Branch within the department.

(b) "Contractor" means the entity with which the department has achieved a formal, legal, reimbursed arrangement for the implementation of the program as required under law.

1 (c) “Department” means the State Department of Health
2 Services.

3 (d) “Director” means the Director of Health Services.

4 (e) “Program” means the Improving Access, Counseling, and
5 Treatment for Californians with Prostate Cancer (IMPACT)
6 Program established under this chapter.

7 (f) “Section” means the Cancer Detection Section within the
8 department.

9 104322.2. (a) The department shall develop, expand, and
10 ensure quality prostate cancer treatment for low-income men
11 who are uninsured or underinsured.

12 (b) The Improving Access, Counseling, and Treatment for
13 Californians with Prostate Cancer (IMPACT) Program is hereby
14 established as a permanent program within the Cancer Detection
15 Section of the Cancer Control Branch of the department.

16 (c) Treatment provided under this chapter shall be provided to
17 uninsured and underinsured men with incomes at or below 200
18 percent of the federal poverty level.

19 104322.4. (a) Contracts of the program in existence during the
20 2005-06 state fiscal year shall continue under the specifications
21 and in accordance with the terms of those contracts. This shall
22 include any outstanding contracts with the University of
23 California, Los Angeles.

24 (b) Subject to subdivision (c), at the expiration of the contract
25 in existence during the 2005–06 fiscal year for the administration
26 of the program, the department may do any one of the following:

27 (1) In its own discretion, extend the effective date of the
28 contract with any modifications that may be necessary due to
29 changes in funding, statutory requirements, or other conditions
30 that affect the administration of the program.

31 (2) Execute a new contract with the same contractor.

32 (3) Extend a request for applications and rebid the contract.

33 (c) The department shall consider all of the following factors
34 for purposes of selecting from among the contracting alternatives
35 provided under subdivision (b):

36 (1) With respect to the contractor with an existing contract
37 under the IMPACT Program, all of the following:

38 (A) The process under which that contractor was originally
39 chosen by the department.

1 (B) The performance of that contractor over the course of the
2 contract since its inception, with attention to contractor response
3 to fiscal and programmatic condition changes.

4 (C) The cost-effectiveness of retaining that contractor.

5 (D) That contractor's experience level with the program
6 operation.

7 (2) The continuity of care available to enrolled and reenrolled
8 patients and the potential for interruption of service or
9 availability of care for prospective enrollees into the program.

10 (d) (1) The branch shall submit to the director its proposed
11 choice from the contracting alternatives outlined in subdivision
12 (b) and the rationale for that choice. The director shall approve,
13 or make modifications to, the branch's proposal.

14 (2) The director shall provide a report to the Committee on
15 Rules of each house of the Legislature within 15 calendar days of
16 approving or modifying the branch's proposal. The report shall
17 include a description of the outcome and the rationale for the
18 director's final selection among the contracting alternatives.

19 (e) Under the alternative to extend a new request for
20 applications and rebid the contract as provided under paragraph
21 (3) of subdivision (b), the department may award one or more
22 contracts to provide prostate cancer treatment through private or
23 public nonprofit organizations, including, but not limited to,
24 community-based organizations, local health care providers, the
25 University of California medical centers, and the Charles R.
26 Drew University of Medicine and Science, an affiliate of the
27 David Geffen School of Medicine at the University of California
28 at Los Angeles.

29 (f) The contracts described in this section shall not be subject
30 to Part 2 (commencing with Section 10100) of Division 2 of the
31 Public Contract Code.

32 104322.6. (a) The mission of the program shall be to provide
33 high quality prostate cancer treatment and related medical care
34 for low-income Californians who are uninsured or underinsured.

35 (b) Overall program goals shall include all of the following.

36 (1) The creation of a comprehensive infrastructure to support a
37 statewide prostate cancer treatment program that is adaptable to
38 fluctuations in state funding.

39 (2) The creation of an information technology system that
40 meets the clinical and psychological needs of the patients and

1 provides a foundation for the evaluation of the program's
2 accomplishments and provider treatment services.

3 (3) The creation of a sustainable patient care model that
4 adequately addresses the barriers faced by low-income,
5 uninsured men.

6 (4) The establishment of a broad network of providers and
7 partnerships with community-based organizations so that
8 patients can be treated and receive needed social and related
9 services in their own communities.

10 (5) The education of patients on how to become active
11 participants in their own treatment.

12 104322.8. To the extent allowed or required by the contract
13 in effect, the program contractor shall do all of the following:

14 (a) Streamline operations to ensure continuity of patient
15 prostate cancer care and program operations.

16 (b) Partner with pharmaceutical patient assistance programs to
17 obtain free prostate cancer treatment medications whenever
18 possible. In order to achieve these ongoing savings, the
19 contractor may devote 50 percent of one full-time employee to
20 the effort of coordinating and ordering these medications.

21 (c) Pair contracted providers with local community and
22 medically based organizations to provide free health education at
23 events in their communities and provide free diagnostic
24 evaluation services in the physician's office.

25 (d) Partner with the University of California and negotiate the
26 possibility of discounted or in-kind contributions of office space,
27 furniture, staff, and other services that may be facilitated through
28 the hosting University of California campus.

29 (e) Reimburse providers at Medicare Program rates, with the
30 consent of the department. The program contractor may grant
31 exceptions to this reimbursement requirement after giving the
32 section notice.

33 (f) Retain a full-time employee for the purpose of addressing
34 provider issues, including providing training for an online
35 treatment and billing system.

36 (g) Ensure that the provider receives payment for services
37 rendered during the determined time period included in the
38 patient contract with the program.

39 104322.10. (a) The program shall be administered at the
40 University of California, Los Angeles, under the direction of a

1 program director, in association with clinical medicine, public
2 health, and health services. Clinical care shall be provided
3 through a network of contracted providers throughout the state.

4 (b) The program may include regional offices throughout the
5 state to allow for geographic tailoring and responsiveness in
6 program implementation.

7 (c) Whenever possible, the program shall provide for links to
8 enrollment into the Medi-Cal program, Medicare Program, or
9 other available public health insurance coverage programs for
10 eligible patients who are not enrolled in those programs.

11 104322.12. The clinical care model shall be utilized under the
12 program and shall include all of the following:

13 (a) Allow a treatment intervention to occur with patients as
14 they are being treated for prostate cancer.

15 (b) Provide opportunities to model problemsolving approaches
16 and minimize access and education barriers to promote
17 successful interaction.

18 (c) Encourage patient-initiated activities to optimize present
19 and future health care.

20 104322.14. Each enrolled patient shall be assigned a nurse
21 case manager who shall provide all of the following services:

22 (a) Facilitate the patient's prostate cancer care, including
23 intervening on the patient's behalf before a medical emergency
24 occurs.

25 (b) Work collaboratively with the health care provider to
26 coordinate quality and timely prostate cancer care services.

27 (c) Work to ensure that only medically necessary covered
28 services are provided.

29 (d) Educate the patient about treatment and the care model to
30 promote self-efficacy.

31 104322.16. The contractor shall include an education and
32 outreach team of personnel, which shall do all of the following:

33 (a) Focus on the socioeconomically disadvantaged population
34 of the community and on the health care professional community
35 providing prostate cancer detection, diagnosis, and treatment
36 services to low-income, uninsured, and underinsured men.

37 (b) Generate referrals of African-American and Latino men to
38 the program, focusing on providers and community-based
39 organizations as sources.

1 (c) Provide culturally sensitive educational material that is
2 easy to understand, and does all of the following, for underserved
3 men:

4 (1) Enables them to be more informed participants in the
5 medical decisionmaking process.

6 (2) Assists them in regaining a sense of control over their
7 lives.

8 (3) Enables them to manage both disease and
9 treatment-related symptoms competently and confidently.

10 (4) Decreases anxiety related to uncertainty.

11 (5) Encourages communication with family.

12 104322.18. (a) The program shall include interactive teams
13 as described in this section, which shall be managed by the
14 program administrator.

15 (b) The program shall include an administrative team, which
16 shall be comprised of the program administrator who shall
17 administer programmatic duties and an administrative specialist
18 who shall support the program director, medical director,
19 program administrator, and contract manager.

20 (c) (1) The program shall include clinical teams, which shall
21 be comprised of two categories consisting of direct and indirect
22 patient care.

23 (2) The direct patient care clinical team shall be directed by
24 the medical director, managed by the clinical nurse manager, and
25 comprised of a team that contains a nurse case manager, clinical
26 coordinator, and assistant clinical coordinator. If the program
27 grows, the ratio of patients per direct patient care clinical team
28 shall remain consistent. Therefore, an appropriate number of
29 clinical teams shall be maintained to provide patient support at a
30 ratio of at least one team per 100 patients. In addition, each direct
31 patient care clinical team shall include a pharmacy and laboratory
32 specialist who shall ensure patient medications and tests are
33 addressed.

34 (3) The indirect patient care clinical team shall be managed by
35 the program coordinator to manage community, patient, and
36 provider education and a contract manager to facilitate patient
37 treatment, provider education, and clinical care reimbursement.
38 In addition, the indirect patient care clinical team shall include
39 support staff and patient and provider educators to ensure that
40 providers and clinical services are available statewide.

(d) The program shall include a health team, which shall be comprised of a manager, postgraduate staff, and graduate staff. The manager shall be responsible for a fairly extensive effort of ongoing program evaluation and patient tracking. The evaluation and tracking shall provide performance and outcomes information for the program, patients, legislators, and the public.

104322.20. (a) The program shall have an evaluation process, which shall include all of the following components.

(1) Quality of care indicators for services provided to patients to determine how well patient health care needs are being met under the program.

(2) Quality of care indicators for nursing care delivered by program nurse case managers.

(3) Quality of care indicators for providers.

(4) Quality assurance in program regional offices, which may include the utilization of biannual reports from the regional offices to assist in monitoring activities and progress that these offices have made in enrolling and coordinating the care of patients.

(b) On or before July 1 of each year, the program shall provide to the director all of the following information:

(1) The number of new men enrolled in the program.

(2) The number of men reenrolled in the program.

(3) The average cost of prostate cancer treatment per patient enrolled.

(4) The number of providers statewide who provide treatment services under the program.

(5) The number of counties accessing program services.

(6) The number of individuals serviced by the program where enrollment did not occur, such as with respect to referrals to the Medi-Cal program, Medicare Program, county health programs, free prostate cancer screenings, or similar referrals.

(c) Within a reasonable time after receiving information from the program pursuant to subdivision (b), the department shall report this information to the Legislature.

104322.22. (a) The department may expend for purposes of the IMPACT Program an amount equal to six million five hundred thousand dollars (\$6,500,000) to the extent that this amount is appropriated for that purpose in the Budget Act of 2005.

1 (b) Any appropriation for the program shall be included in the
2 annual Budget Act as an individual line item under the
3 department.

4 (c) Subject to Section 16304 of the Government Code, the
5 balance of funds from any prior budget appropriations shall be
6 carried over to the prospective budget year for purposes of
7 implementation of the program.

8 (d) The department shall contract for prostate cancer treatment
9 services only at the level of funding budgeted from state and
10 other sources during a fiscal year in which the Legislature has
11 appropriated funds to the department for the program.